

Message Text

UNCLASSIFIED

PAGE 01 PANAMA 03472 172054Z

67

ACTION ARA-10

INFO OCT-01 ISO-00 AID-05 CIAE-00 COME-00 EB-07 FRB-01

INR-07 NSAE-00 USIA-15 TRSE-00 XMB-04 OPIC-06 SP-02

CIEP-02 LAB-04 SIL-01 OMB-01 L-03 SAB-01 SS-15 NSC-05

/090 W

----- 054629

P R 172027Z MAY 76

FM AMEMBASSY PANAMA

TO SECSTATE WASHDC PRIORITY 7788

INFO AMEMBASSY GUATEMALA

PANCANAL

USSOUTHCOM

UNCLAS PANAMA 3472

GUATEMALA FOR ROCAP

EO 11652: N/A

TAGS: ECON, PN, PQ

SUBJECT: CANAL ZONE CONTRIBUTION TO PANAMA'S GNP

REF: A) 75 PANAMA A-86; B) PANAMA A-51; C) FIRFER-HINSON

TELECON 14 MAY 76

1. PANAMA'S NATIONAL INCOME ACCOUNTS DO NOT PROVIDE ANY EASY ANSWER TO QUESTION OF WHAT PERCENT OF GNP OR GDP CAN BE DIRECTLY ATTRIBUTED TO THE CANAL AND CANAL ZONE. AS INDICATED IN REF A, THE CATEGORY USED IN PANAMA'S NATIONAL INCOME ACCOUNTS (SERVICES TO CANAL ZONE) UNDERSTATES CONTRIBUTION OF CANAL ZONE TO PANAMANIAN ECONOMY AS IT CONSISTS PRIMARILY OF SALARIES PAID CANAL ZONE EMPLOYEES RESIDING IN PANAMA. EMBASSY'S ESTIMATES OF "GROSS EARNINGS ACCRUING TO PANAMA FROM CANAL ZONE" INCLUDE AS WELL DIRECT PURCHASES OF GOODS AND SERVICES BY US GOVERNMENT AGENCIES, PRIVATE ORGANIZATIONS, AND CONTRACTORS IN THE CANAL ZONE; EXPENDITURES MADE IN PANAMA BY CANAL ZONE RESIDENTS; AND THE PANAMA CANAL ANNUITY. HOWEVER,
UNCLASSIFIED

UNCLASSIFIED

PAGE 02 PANAMA 03472 172054Z

THIS GROSS FIGURE IS NOT DIRECTLY COMPARABLE TO NATIONAL

INCOME DATA, AND THUS EXPRESSING IT AS A PERCENTAGE OF GNP IS SOMEWHAT MISLEADING. PERHAPS THE MORE MEANINGFUL, EASILY ATTAINABLE FIGURE FOR COMPARISON, WHILE STILL ARISING FROM A DIFFERENT CONCEPTUAL BASIS THAN NATIONAL INCOME STATISTICS, IS THE SURPLUS IN CURRENT ACCOUNT OF PANAMA'S BALANCE OF PAYMENTS RESULTING FROM TRANSACTIONS WITH THE CANAL ZONE.

2. BELOW ARE TABLES EXPRESSING EACH OF THESE FIGURES SINCE 1950 AS A PERCENTAGE OF PANAMANIAN GNP IN CURRENT DOLLARS (NOTE CAVEATS MENTIONED ABOVE). "GROSS EARNINGS" DATA IN EMBASSY FILES GO BACK ONLY TO 1963. COMPARISONS WITH GDP, MOST OFTEN USED IN PANAMANIAN STATISTICS, RATHER THAN GNP WOULD GIVE SLIGHTLY LOWER PERCENTAGE FIGURES.

3. PERCENTAGE OF PANAMANIAN GROSS NATIONAL PRODUCT IN CURRENT DOLLARS:

	"SERVICES TO CANAL ZONE"	BOP CURRENT ACCOUNT WITH CZ	"GROSS EARNINGS" FROM CANAL ZONE
1950	9.3	17.2	-
1955	7.7	13.0	-
1960	7.5	12.3	-
1965	8.2	14.5	16.4
1970	7.8	14.3	15.8
1971	7.5	13.4	14.9
1972	6.9	12.3	13.7
1973	6.8	11.6	13.1
1974(3)	6.1	12.4	13.9

4. ONLY FIGURE IMMEDIATELY AVAILABLE FOR 1975 IS "GROSS EARNINGS," WHICH AMOUNTS TO 13.1 PERCENT OF PRELIMINARY ESTIMATE OF 1975 GNP IN CURRENT DOLLARS.

GONZALEZ

UNCLASSIFIED

NNN

Message Attributes

Automatic Decaptioning: X
Capture Date: 01 JAN 1994
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: GNP, FINANCIAL CONTRIBUTIONS
Control Number: n/a
Copy: SINGLE
Draft Date: 17 MAY 1976
Decaption Date: 01 JAN 1960
Decaption Note:
Disposition Action: n/a
Disposition Approved on Date:
Disposition Authority: n/a
Disposition Case Number: n/a
Disposition Comment:
Disposition Date: 01 JAN 1960
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
Document Number: 1976PANAMA03472
Document Source: CORE
Document Unique ID: 00
Drafter: n/a
Enclosure: n/a
Executive Order: N/A
Errors: N/A
Film Number: D760190-1153
From: PANAMA
Handling Restrictions: n/a
Image Path:
ISecure: 1
Legacy Key: link1976/newtext/t19760546/aaaabngh.tel
Line Count: 96
Locator: TEXT ON-LINE, ON MICROFILM
Office: ACTION ARA
Original Classification: UNCLASSIFIED
Original Handling Restrictions: n/a
Original Previous Classification: n/a
Original Previous Handling Restrictions: n/a
Page Count: 2
Previous Channel Indicators: n/a
Previous Classification: n/a
Previous Handling Restrictions: n/a
Reference: 76 PANAMA A-86, 76 PANAMA A-51
Review Action: RELEASED, APPROVED
Review Authority: blochd0
Review Comment: n/a
Review Content Flags:
Review Date: 22 JUN 2004
Review Event:
Review Exemptions: n/a
Review History: RELEASED <22 JUN 2004 by mendozsm>; APPROVED <11 JAN 2005 by blochd0>
Review Markings:

Margaret P. Grafeld
Declassified/Released
US Department of State
EO Systematic Review
04 MAY 2006

Review Media Identifier:
Review Referrals: n/a
Review Release Date: n/a
Review Release Event: n/a
Review Transfer Date:
Review Withdrawn Fields: n/a
Secure: OPEN
Status: NATIVE
Subject: CANAL ZONE CONTRIBUTION TO PANAMA'S GNP
TAGS: ECON, EFIN, PN, PQ
To: STATE
Type: TE
Markings: Margaret P. Grafeld Declassified/Released US Department of State EO Systematic Review 04 MAY 2006